



**STATE OF MONTANA
DEPARTMENT OF CORRECTIONS
POLICY DIRECTIVE**

Policy No. DOC 1.2.3	Subject: ACCOUNTING PROCEDURES
Chapter 1: ADMINISTRATION AND MANAGEMENT	Page 1 of 2
Section 2: Fiscal Management	Effective Date: May 1, 1996
Signature: /s/ Bill Slaughter, Director	Revision Dates: 07/17/97; 04/18/06

I. POLICY

The Department of Corrections will practice accounting procedures in compliance with generally accepted accounting principles, Montana State Statutes, Administrative Rules of Montana, Montana Operations Manuals, Volume I and II, and Department of Corrections Payroll Procedures Manual.

II. APPLICABILITY

All Department divisions, facilities, and programs.

III. REFERENCES

- A. 2-18-401 through 2-18-412; 2-18-501 through 2-18-512; Title 17; Montana Code Annotated
- B. 2.4.101 through 2.4.202; 2.5.701 through 2.5.801; Administrative Rules of Montana
- C. Volume I, Chapters 300, 500, 1-0800; Montana Operations Manual
- D. Volume II, Chapter 200, 1100 and 1200, 1300, 1500 and 1600, 1700, 1800, 2200; Montana Operations Manual
- E. Department of Corrections Payroll Procedures Manual

IV. DEFINITIONS

None.

V. DEPARTMENT DIRECTIVES

A. Accounting Principles

1. The Department will adhere to Accounting Principles and State Accounting Policies as outlined in *Sections 17-1-101 through 17-6-512 and 17-8-101 through 17-8-311, Montana Codes Annotated (MCA), and Volume II, Chapter 200, Montana Operations Manual (MOM).*

B. Accounting Structure

1. The Department will utilize the accounting structure as outlined in *Title 17, MCA, and Volume II, Chapter 200, MOM.*

C. Receivables, Collectibles, and Deposits

1. Receivables, collectibles, and deposits will be accounted for as outlined in *Sections 17-4-101 through 17-4-111, and Sections 17-6-101 through 17-6-512, MCA, and Volume II, Chapters 1100 and 1200, MOM.*

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D Expenditures and Disbursements

1. Expenditures and disbursements will be accounted for as outlined in *Sections 17-8-101 through 17-8-311*, and *Sections 17-6-101 through 17-6-512, MCA*, and *Volume II, Chapters 1500 and 1600, MOM*.

E. Encumbrances

1. Encumbrances will be accounted for as outlined in *Sections 17-7-302 and 17-7-303, MCA*, and *Volume II, Chapter 1300, MOM*.

F. Property Accounting

1. Property accounting will be accounted for as outlined in *Sections 2.5.701 through 2.5.801, Administrative Rules of Montana (ARM)*, and *Volume II, Chapter 1700, MOM*.

G. Investment Accounting

1. Investment accounting will be accounted for as outlined in *Sections 17-6-101 through 17-6-512, MCA*, and *Volume II, Chapter 1800, MOM*.

H. Employee Travel

1. Employee travel will be accounted for as outlined in *Sections 2-18-501 through 2-18-512, MCA*, and *Sections 2.4.101 through 2.4.202, ARM*, and *Volume I, Chapter 300, MOM*.
2. The Department will reimburse travel expenses with a state warrant and does not include travel expenses on employees' payroll.
3. Employee travel using State Motor Pool and personal vehicles will be done in compliance with *Sections 2.4.112 through 2.4.116, ARM*, and *Volume I, Chapter 500, MOM*.

I. Payroll

1. Payroll will be accounted for as outlined in *Sections 2-18-401 through 2-18-412, MCA*.

J. Long-Term Debt

1. Long-term debt will be accounted for as outlined in *Volume II, Chapter 2200, MOM*.

K. Records Retention

1. Accounting document retention will be accounted for as outlined in *Volume I, Chapter 1-800, MOM*.

VI. CLOSING

Questions concerning this policy should be directed to the Centralized Services Division Administrator.